

**UN Global Compact
Communication on Progress for NSSLGlobal Limited**

For period 1 January 2017 – 31 December 2017

A message from our CEO

To our stakeholders:

I am pleased to confirm that NSSLGlobal Limited reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to sharing this information with our stakeholders using our primary channels of communication, including in our annual CSR report to majority shareholder.

Sincerely yours,



Sally-Anne Ray
Group CEO

28th February 2018

Communication on Progress

1. Human Rights

a. Policy and guidelines

We have in place policies on the following:

- Health and Safety in the Workplace
- Anti-Bribery, Business Integrity and Corruption
- Bullying and Harassment at Work
- Religious belief
- Equality and Diversity
- Modern Slavery Act First Statement

2017 saw us implement our initial response to the Modern Slavery Act 2015.

Our policy on Human Rights is summarised as follows:

- We seek to comply with all applicable law and internationally recognised human rights.

- We acknowledge the part our business has to play in upholding human rights, whether in the workplace or through our suppliers or with our customers.
- We seek to be a fair employer and pride ourselves on being a customer and supplier of integrity. We expect the same of our clients, partners and our supply chain.

b. How the company is working to make sure the policies and guidelines are followed

HR matters are dealt with by our HR team. We have a top-down commitment to being a fair and responsible employer. Our policies provide for regular reviews and monitoring of our HR activities.

Our procurement team are also aware of the implications of the Modern Slavery Act in their purchasing decisions. Our supplier questionnaire has been extended to include questions on Slavery and Human Trafficking as well as Business Ethics more generally.

We have included Human Rights as a topic for inclusion in our Risk Register, to ensure it is regularly revisited as a topic by the management team.

c. Evaluation of the results

Our dedicated HR function monitors employee related issues.

d. Expectations/Plans for future work

2018 will see us implement our policy on Modern Slavery and continue our work generally across the business of adopting and improving our sustainable and socially responsible policies.

As a reminder, we follow the following key principles:

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;
- Principle 2: make sure that they are not complicit in human rights abuses;
- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

In our induction process for new joiners and also when building relationships with new commercial partners, resellers and suppliers, we make clear our position on human rights and our code of conduct expectations.

2. Labour rights and labour conditions

a. Policy and guidelines

In addition to the policies referred to in 1a above, we also have the following policies in place:

- Company Rules
- Disciplinary Rules and Procedures
- Communication Rules and Standards
- Acceptable Use Policy for Company issued IT
- Learning and Development
- Grievance
- Data Protection

Our aim is to ensure that our working practices are in line with relevant legislation and that labour rights of our staff are upheld.

The above-mentioned policies, standards and rules express our position on the following labour rights and labour conditions:

- The right to a legal and fair process as regards raising grievances and disciplinary matters.
- Freedom of association and Trade Union Membership.
- A zero tolerance policy on all forms of illegal child labour and forced and compulsory labour in our workplaces.
- Discrimination in all its forms, whether direct or indirect, harassment, victimisation and whether related to gender, sexual orientation, race, nationality, religious, political or philosophical beliefs.
- How personal and sensitive personal data of our personnel is retained, processed and used.

b. How the company is working to make sure the policies and guidelines are followed

Our work in these areas is ongoing and is met by the HR team, supported by the senior management team. As with our other CSR activities, we have and demonstrate a top-down approach.

We have an open and transparent approach to our HR function, with staff knowing they can speak with any of our management or HR team on matters of concern.

All staff sign up to Company Rules and our Policies and Standards.

We also seek to increase awareness of labour rights and human rights both inside the company and our supply chain in our ongoing learning and development activities for our global staff.

c. Evaluation of the results

Our appraisal process for the ongoing development of our staff provides an opportunity for airing and sharing of issues and concerns, on an individual basis. More informal meetings with staff and their manager regularly take place during the year.

Our HR team is kept abreast of changes in law and regulation through various subscriptions.

d. Expectations/Plans for future work

The biggest activity in the first half of 2018 will be our assessment and response for the GDPR (General Data Protection Regulations) both in terms of updating our policy framework, but also in reviewing relevant systems and processes.

3. **Environmental impacts**

a. Policy and guidelines

The Management and staff continue to be committed to ensuring the sustainable development and environmental management are at the core of all activities undertaken by the company. We follow and promote good sustainability practice at all times in order to reduce the environmental impacts of all our activities and to assist our customers and suppliers to do the same.

In summary, our Policy states that NSSLGlobal will:

- comply with, and exceed wherever possible, all applicable legislation regulations and codes of practice;
- ensure that all environmental risks are assessed, managed and controlled;
- maintain and develop in a sustainable manner;
- educate, train and motivate employees to carry out their tasks in an environmentally friendly and sustainable manner;
- advise customers and suppliers of our environmental & sustainability policy, and to encourage them to adopt sustainable management practices;
- review, annually report, and to continually improve where applicable our environmental and sustainability performance.

b. How the company is working to make sure the policies and guidelines are followed

- i. The Operations and Logistics Team monitor and review our activities against our stated policy.
- ii. We are in the process of becoming certified under ISO14001, which is anticipated in H1 2018. ISO14001 management system standard will assist NSSLGlobal become more environmentally friendly, reducing our consumption, waste and costs.

c. Evaluation of the results

The Operations and Logistics Team will monitor and review our activities against our ISO14001 and manage annual external audits.

d. Expectations/Plans for future work

The biggest shift in the near term is our taking on ISO14001 but there is more work to be done as it is an evolving improvement programme.

4. **Corruption avoidance**

a. Policy and guidelines

As a group, NSSLGlobal has a Business Integrity, Bribery and Corruption Code of Conduct. It is based on the UK Bribery Act 2010, but also refers to applicable legislation in our other locations. This policy was updated in the second half of 2016 and issued in December. It is available on our intranet for staff and all staff have undergone code of conduct training and/or briefings. The same Code of Conduct applies to our commercial relationships with customers and suppliers. An updated supplier questionnaire is now available.

Our reseller contracts include provisions on anti-bribery and corruption.

In summary, the Code of Conduct explains:

- what would constitute bribery or corruption
- our procedure in the event of a suspected bribe
- how we view facilitation payments and kick-backs, charitable or political donations,
- how business entertaining and gifts are managed and the financial limits.
- how third party (intermediary) relationships should be taken on and what risk assessment and due diligence questions should be done.
- a ZERO tolerance approach to corruption.

b. How the company is working to make sure the policies and guidelines are followed

Commitment: We have a top-down commitment to corruption avoidance. All management are required to attend refresher training on an ongoing basis, together with their teams.

Training Focus: Having assessed the activity risk, we have particular focus on our procurement, sales and business development teams. Attendees are registered and their attendance put on their training record. The training session ends with those attendees taking an informal group Q&A to ensure information has been taken on board. The training sessions are tailored and make clear our approach is for transparency. Feedback has been positive. All relevant teams and individuals have been trained and refreshed during 2017. Our position on Business Ethics will also be repeated in a dedicated section in our induction programme for new joiners.

Resources: Our TRACE International certification is ongoing as is consideration of whether ISO 37001:2016 Anti-Bribery Management Systems is appropriate for the NSSLGlobal business. We have made a contribution to the Foundation for UN Global Compact in 2017 and will review during 2018 if NSSLGlobal should become a signatory to the UN Global Compact Network UK.

Due Diligence and Risk Assessment: We continue to evolve and develop additional procedures for how we take on resellers, agents or clients, to ensure our Code of Conduct is followed.

c. Evaluation of the results

We have not had any instances of activity which we would view as contrary to our Code of Conduct. We plan to have a quarterly review meeting of the Code of Conduct with senior management team members to ensure we remain relevant and alive to issues arising.

d. Expectations/Plans for future work

Resources: As mentioned above, TRACE International Certification, ISO 37001:2016, UN Global Compact Network UK are possible 'quality marks' we are reviewing.

Training is an ongoing process.

During 2018, we will be undertaking a large piece of work, culminating in the publishing of our values statement and external facing Code of Conduct, which will pull together our response and position on:

- Health, Safety and The Environment
- Security
- Employment practices
- Equality of Opportunity
- Bullying & Harassment
- Use of Company Assets
- Company Property
- Data Protection
- Information Management
- Business Communications
- Anti-bribery and corruption
- Anti-money laundering
- Conflicts of interest
- Competition and anti-trust
- Export Control and International Trade